

DRAFT SUMMARY MINUTES OF THE SPECIAL MEETING OF THE COTTONWOOD AIRPORT COMMISSION OF THE CITY OF COTTONWOOD, ARIZONA, HELD JUNE 8, 2009 AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

Chairman Gradijan called the meeting to order at 6:00 p.m.

Roll call was taken as follows:

Commission Members Present

Aleck Gradijan, Chairman

Jim Moeny, Vice-Chairman

Michael Casebier, Commission Member

Bill Tinnin, Commission Member

Allyson Waak, Commission Member – (arrived late)

Staff Members Present

Tim Costello, Public Works Director

Barb Herrick, Administrative Coordinator

PLEDGE OF ALLEGIANCE TO THE FLAG

Chairman Gradijan led the Pledge of Allegiance.

APPROVAL OF MINUTES

Mr. Gradijan asked for comments or corrections to the minutes of the regular meeting of the Airport Commission held on April 23, 2009 and the Special Meeting held May 12, 2009. There were no comments regarding the minutes. Vice-Chairman Moeny moved to accept the minutes as presented and Mr. Tinnin seconded the motion. The vote was in favor of the approval of the minutes from both meetings.

BRIEF SUMMARY OF CURRENT EVENTS

Mr. Costello informed the commission members that Mr. Bartosh, City Manager, was not present at our meeting because he was attending a meeting in Camp Verde regarding Hwy 260. Also mentioned were the applicants for the upcoming vacancies on the Airport Commission. The city received four applications for the two openings effective July 1, 2009. The applicants are: Michael Casebier, Bill Tinnin, Eric Brunner and Gerald Madero. The applications have been packaged for the City Council meeting on June 16. The Mayor and Council members mostly likely will interview all candidates present at the meeting.

CALL TO THE PUBLIC

There were no comments from the public.

UNFINISHED BUSINESS

Monthly Fuel Usage

Mr. Costello provided a graph that represented the entire history of fuel sold using the self-fueling system. After reviewing the chart, the consensus was that the fuel sales were trending upward. Chairman Gradijan commented that it looks like there is an annualized average of about 4000 gallons a month being sold.

Mr. Tinnin asked if the fuel sales cover the cost of running the airport. Mr. Costello stated that although it does not cover the cost, it is a very good source of revenue. He went on to explain that there are basically three difference sources of revenues for the airport; fuel sales, ground leases, and tie-down rents.

Update on Obtaining Grants for the Airport

Mr. Casebier stated that after looking into the grant situations for the past several weeks, the only grant that is available is the Airport Improvement Grant and we are utilizing that grant program now. Mr. Casebier also mentioned that he had a conversation with a representative from the FAA grants office in New Jersey and he informed her of what we were doing and where we are going. She felt that we were doing very well for a rural area when many rural airports are trying not to shut down.

NEW BUSINESS

Discussion and possible action regarding terminal remodel and possible restaurant

Mr. Costello noted that he had a discussion with ADOT's Project Manager, Nancy Faron, and he told her that the idea of the restaurant would be more like a snack bar. Their concerns were that the area would not consume the public space of the terminal. They would also like the vendor to pay a "market rate" rent and an agreement should be in place.

Mr. Gradijan stated that we have people that fly in to our airport for the fuel and if they could get a breakfast or lunch it would make it a double benefit. He felt that if we just had a counter where orders are taken and you could pick up your order and sit at tables provided it would be a good beginning. Mr. Gradijan suggested we should look to see if there is anyone with food service experience that might be interested in what we have to offer.

The commission members further discussed what the costs would be to put in a snack bar and how to find anyone that would be interested in providing the service.

Mr. Costello noted that there was a similar discussion with the Recreation Center and it was determined that it was a lot of work and they decided to have a vending area, and we might want to consider this option. Mr. Costello also mentioned that another option would be to send out a "Request for Information" to ask formally for interested parties to contact us by submitting a

letter of interest.

Mr. Gradijan stated that he thought the “Request for Information” was a great idea and we could find out if there was anyone interested and at the same time get approval from the state.

Ms. Waak suggested that Jerona Café or Holly’s at Ace Hardware might be good candidates.

Mr. Gradijan made a motion to put out a “Request of Information” for a restaurant snack bar and also have Mr. Costello pursue selling the idea of the snack bar to the state. Mr. Moeny seconded the motion. The vote was unanimous in favor.

Discussion and possible action regarding Apron Pavement Preservation Project

Mr. Costello informed the commission that bids were opened on June 4, 2009 and there were two bidders. Cactus Asphalt was the low bidder for the project in the amount of \$443,320. The bid will cover the entire apron with a slurry seal. Mr. Costello’s recommendation is to award the contract to Cactus Asphalt.

Mr. Gradijan asked if the area on the north end of Hangar B could be coated also. Mr. Costello thought it should be OK, but he will check on it.

Chairman Gradijan made a motion to accept the bid of Cactus Asphalt. The motion was seconded by Mr. Tinnin and followed by a unanimous vote in favor.

Mr. Costello informed the commission members that the next step is submitting paperwork to the FAA to get a grant offer from them.

Discussion of requests from last meeting’s Call to the Public: supplemental windsock location at Runway 32 and restroom access at the fuel station

Chairman Gradijan stated that the Airman’s Information Manual shows a windsock preferably located at midfield, and we have three windsocks and two flags on a 4200-foot runway. After discussion, the commission members agreed that there are a sufficient number of windsocks at the airport.

Regarding restroom access at the fuel station, Mr. Gradijan suggested there be a nice signboard in our bulletin board at the fuel station showing the schematic of the ramp and airport with the location of restrooms.

Mr. Costello informed the members that the sign is already in place. Commission members agreed that signage showing locations of the restrooms was sufficient.

Discussion and possible action regarding FBO solicitation

Chairman Gradijan asked Mr. Costello what would be the best way to find interested candidates for the FBO position. Mr. Costello stated that he had talked to the city attorney and it would be acceptable to do a RFQ (Request for Qualifications). With the RFQ you can request a presentation of qualifications from candidates. You then take the qualifications submitted and create a ranking list. You also generally hold interviews and then make a selection. The next step would be to negotiate a contract (Request for Proposal).

Mr. Gradijan felt that we should put the word out to find out if there are any players interested. He also stated that he would like to be able to negotiate with a potential candidate if necessary.

Mr. Tinnin asked if the commission has determined what they would be looking for in the contractual end of the FBO. Mr. Gradijan said that they have not at this time. He felt it would be advantageous to have a mechanic, a monitor of the fuel systems, someone to greet visitors, and possibly promote flight training. He also suggested the need to create an atmosphere for someone to make a living.

Mr. Gradijan suggested the advertisement to say, “the City of Cottonwood is looking for an operator at the airport to fulfill FBO functions, preferably to run a maintenance facility, and flight training.”

Mr. Casebier mentioned that the snack bar might also be a way for a FBO to make money.

Mr. Costello added that usually a RFQ would have a packet that states the minimum qualifications, and/or services we would be looking for. It can also mention optional services. We should also mention what compensation would be offered, but we don't have to be exact. He mentioned that he has had discussions with fuel suppliers, because of their contact with FBO's. Their insight of the position described it as a “three-legged stool”, and a mechanic was one leg, fuel was another leg and the third leg could be flight school and charter. Mr. Costello also mentioned that we should also look at what we want to do with the fuel. Currently, Cottonwood is managing the fuel, but back in time it was the FBO's.

Mr. Gradijan stated that he had strong opinions about the fuel situation. He feels that the system is working today because we are beating the surrounding areas in price. If we give that up, we will hurt ourselves.

Mr. Tinnin noted that previously he had done some research regarding the FBO and he found that there are many FBO's that are not tied to the fuel.

Mr. Gradijan asked that one of the things we should require is financial responsibility, not just aviation experience.

Mr. Costello stated that one of the requirements from the last hiring was a financial statement. Another consideration would be the contract length. Mr. Gradijan added that he felt five years

was a reasonable time, but we need to be cautious and have conditions to end a contract if the FBO does not do what we want them to do. The city attorney needs to construct the contract where the vendor is protected, but so are we.

Mr. Costello had a couple of suggestions on getting things started. He suggested doing a pre-advertisement that would say Cottonwood is looking for a FBO and then give contact information to generate an interest.

Mr. Moeny suggested "Trade-A-Plane" as a good source for posting the pre-advertisement.

Mr. Costello stated that he would do a pre-advertisement and also try to work up a draft RFQ packet.

Discussion and possible action regarding creating an informational pamphlet and other promotional ideas

Mr. Casebier explained that the informational pamphlet is for local businesses to advertise. If we started to get more people going through our airport, it would be a good idea to have an informational pamphlet available. The pamphlet could include rental car information, places to stay, places to eat, and general tourist information.

Chairman Gradijan noted that we do need to have something available, even just a simple map. He also suggested that this could fall under Mr. Rooney's responsibility and maybe the Chamber of Commerce.

Discussion and possible action regarding Change Order No. 1 for Z&H Engineering for construction management of the Perimeter Road project

Mr. Costello explained that to get the gate automation on the ground quicker, we asked Z&H Engineering to create 2 bid packages, the gate and perimeter road. This would require 2 efforts for the construction management. The original scope of work only considered one construction management effort.

As we went to bid with the perimeter road job, it appeared that the electrical upgrade job would coincide and the inspection duties could be handled at no cost. As it turned out, project time was suspended on the electrical project, awaiting manufactured items, while the perimeter road project was built. Z&H did spend the second effort to do the construction inspection and construction management on the perimeter road.

The additional services add up to \$14,237.00. We do have that much left on the FAA grant and the engineering services are grant eligible. Our local share will be 2.5% or \$355.93. Mr. Costello stated that he feels the change order is warranted. This was clearly a change in scope requested by the city to move the gate project along rapidly.

Mr. Casebier made the motion to accept and approve the change order. The motion was seconded and the vote was unanimous.

SET FUTURE AGENDA ITEMS

No items were noted at this time

ADJOURNMENT

Ms. Waak made the motion for adjournment. Mr. Casebier seconded the motion. The vote was unanimous and the meeting was adjourned at 7:30 p.m.